

Insurance Commissioner
ACCEPTED SOP

JUL 29 2019

TIME: 2pm

FILED

JUL 19 2019

SONYA KRASKI
COUNTY CLERK
SNOHOMISH CO. WASH.

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF SNOHOMISH

JOHN BABAROVICH, a married man,

Plaintiff,

vs.

STANDARD GUARANTY INSURANCE
COMPANY, a Delaware corporation,

Defendant.

NO. **19 2 06599-31**

COMPLAINT FOR BREACH OF
CONTRACT, BAD FAITH, VIOLATION
OF THE INSURANCE FAIR CONDUCT
ACT, AND CONSUMER PROTECTION
ACT

COMES NOW the Plaintiff, John Babarovich, a married man, and hereby states his
complaint against Defendant as follows.

I. PARTIES

1.1 Plaintiff, John Babarovich ("Babarovich"), is a married man residing in King
County, Washington, at all material times.

1.2 Defendant Standard Guaranty Insurance Company ("Standard Guaranty") is a
Delaware corporation doing business in the State of Washington in the County of Snohomish at
all material times.

COMPLAINT FOR BREACH OF CONTRACT, BAD FAITH,
VIOLATION OF THE INSURANCE FAIR CONDUCT ACT,
AND CONSUMER PROTECTION ACT - Page 1

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1 1.3 Babarovich owns a 2.2 acre residential property in Everett, Washington, located
2 at 13024 and 13024 ½ 3rd Avenue S.E., Everett, WA 98208, located in Snohomish County.

3 II. VENUE AND JURISDICTION

4 2.1 Venue and jurisdiction are proper in this Court as Babarovich owns property in
5 Snohomish County, Washington, and Standard Guaranty issued homeowner / fire insurance
6 policies on the subject property through lender, Wells Fargo Bank, N.A., for the policy periods
7 between July, 2014 to July, 2015, and again from July, 2015 through July, 2016, insuring the
8 Babarovich property against fire loss and damages.

9 2.2 Venue is proper in the Snohomish County Superior Court because Babarovich
10 owns property which is the subject of this action in Snohomish County, Washington, and
11 Standard Guaranty issued insurance policies insuring property located in Snohomish County,
12 Washington.

13 III. BACKGROUND FACTS

14 3.1 Barbarovich purchased a 2.2 acre residential property in Everett, Washington,
15 with two single family homes and an out building on the same property, located at 13024 and
16 13024 ½ 3rd Avenue S.E., Everett, WA 98208 in March 2001. ("Subject Property").

17 3.2 Babarovich obtained mortgage loans on the subject property from several
18 lenders, including Wells Fargo Bank, N.A. Both homes on the subject property were fully
19 renovated by Babarovich in 2001. Both homes were then rented out beginning in approximately
20 September 2001. They were continuously rented until approximately 2014.

21 3.3 Babarovich suffered financial difficulties during the financial crisis between
22 2008 and 2016. As a result of his financial difficulties, Babarovich was unable to afford

23 COMPLAINT FOR BREACH OF CONTRACT, BAD FAITH,
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 AND CONSUMER PROTECTION ACT - Page 2

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1 homeowner / fire insurance beginning in 2014 on the Everett subject property, which was a
2 rental and investment property for him.

3 3.4 Standard Guaranty issued an insurance policy under Policy No.
4 MLR21207386180, with an effective date from July 21, 2014 to July 21, 2015, on the subject
5 property in Everett, Washington, owned by Babarovich. The policies referenced a name insured
6 of lender Wells Fargo Bank, N.A., with intended third-party beneficiary, borrower, Babarovich,
7 listed as the owner of the subject property. The premium of \$1,057.00 was charged to
8 Babarovich through his escrow account held by Wells Fargo Bank, N.A., on his mortgage.

9 3.5 Standard Guaranty issued a second homeowner / fire insurance policy on the
10 subject property in Everett, Washington, with effective dates between July 21, 2015 and July
11 21, 2016, to lender Wells Fargo Bank, N.A., which is owned by Babarovich, with Babarovich
12 listed as the borrower / owner and as intended third party beneficiary of the insurance policy.
13 This policy was issued under Policy No. MLR21207484114. The premium amount of \$1,057.00
14 was charged to Babarovich's Wells Fargo Bank escrow account to be paid by Babarovich. A
15 copy of the Declarations Page for each policy are attached as Exhibit A.

16 3.6 During a period of time during the great recession, beginning in 2014, the subject
17 property owned by Babarovich were vacant for some time with no renters present. During this
18 time, three separate fires occurred at the subject property in Everett, Washington.

19 3.7 The Snohomish County Fire Department responded to an outbuilding shed fire
20 at the 13024 3rd Avenue S.E., Everett, Washington property on October 24, 2015. The
21 Snohomish County Fire Department responded to a second fire on the subject property involving
22 a single family dwelling on the subject property on March 23, 2016. A third fire occurred at the

1 second single family dwelling on property to which the Snohomish County Fire Department
2 responded on June 3, 2016.

3 3.8 Babarovich was able to recover financially and in September, 2017, he was in
4 the process of refinancing the subject property in Everett, Washington, and obtained a payoff
5 statement from Wells Fargo Home Mortgage for his loan no. 0482277282. Wells Fargo Bank,
6 N.A., sent Babarovich a payoff letter, which detailed the payoff amounts and included reference
7 to a restricted escrow balance: \$14,393.06," which is identified as a property insurance claim
8 payable on a fire loss on the property. Page 3 of the payoff statement also reflected a
9 disbursement made from the real estate loan escrow account on behalf of Babarovich and
10 charged back to him of homeowners' insurance in the amount of \$1,057.00 on July 28, 2015. A
11 copy of Wells Fargo's payoff letter is attached as Exhibit B.

12 3.9 After Babarovich's refinance on the subject property was completed in early
13 2018, Babarovich received a letter and check from Wells Fargo Home Mortgage identified as
14 the final disbursement of "insurance claim funds" on Mortgage Account No. 0482277282 for
15 property address 13024 3rd Avenue S.E., Everett, Washington. The letter was enclosed with a
16 check for \$14,393.06, which was negotiated by Babarovich on the insurance claim presumably
17 related to the first fire loss for the out building fire that occurred in October, 2015, on the subject
18 property. This letter and copy of the check is attached as Exhibit C.

19 3.10 Babarovich then made subsequent insurance claims to Standard Guaranty under
20 Claim Nos. 00200890662, 00102227342, and 00200897165, on the two insurance policies
21 issued by Standard Guaranty. These claims were filed by Babarovich on June 16, 2017 with
22 Standard Guaranty.

23 COMPLAINT FOR BREACH OF CONTRACT, BAD FAITH,
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1 3.11 All three insurance claims filed by Babarovich were summarily denied by
2 Standard Guaranty. The only reason given was that the policies had somehow been canceled
3 previously and retroactively by Wells Fargo Bank, N.A.

4 3.12 In a response to a Complaint filed with the Insurance Commissioner of the State
5 of Washington, Standard Guaranty wrote a letter claiming that somehow the two homeowner /
6 fire insurance policies had been canceled **PRIOR TO** the three reported fires on the subject
7 property. A copy of this letter is attached as Exhibit D.

8 3.13 The reported cancellation of the policies by Standard Guaranty is in conflict with
9 the insurance payment made to Mr. Babarovich on the refinance of his loan on the subject
10 property.

11 3.14 Standard Guaranty provided copies of the alleged cancellation letters which were
12 issued by Wells Fargo Bank, N.A., and sent to property owner / borrower Babarovich on August
13 12, 2016, August 12, 2016, and August 9, 2016. All three letters attempt to cancel the
14 homeowner / fire insurance policies retroactively over a year prior to the date of the cancellation
15 letters. Copies of these three letters are attached as Exhibit E.

16 3.15 Standard Guaranty also issued a Notice of "Lender-Placed Insurance
17 Confirmation of Cancellation" dated August 9, 2016, and addressed to Wells Fargo Bank and to
18 borrower / owner Babarovich for the subject property and for the insurance policy in effect from
19 July 15, 2015, to July 15, 2016. The cancellation notice attempts to state that the cancellation
20 was effective as of July 25, 2015, when the notice was dated over one year after the policy had
21 been fully in force for a year later on August 9, 2016. A copy of this notice of cancellation is
22 attached as Exhibit F.

1 3.16 Standard Guaranty has unfairly and in bad faith denied the proper insurance
2 claims of Babarovich for the three full fire losses on his property of which one has already been
3 paid by Standard Guaranty with the remaining two to be paid on the two single family home
4 losses on the subject property that occurred in 2016 during the effective policy period of
5 Standard Guaranty under Policy No. MLR21207484114.

6 IV. CAUSES OF ACTION

7 A. First Cause of Action: Breach of Contract And Third Party Intended Beneficiary

8 4.1 Barbarovich incorporates by reference all statements of facts, including Exhibits
9 in paragraph 1.1 through paragraph 3.16.

10 4.2 Standard Guaranty is in breach of its insurance contracts under Policy Nos.
11 MOR21207386180 and MLR21207484114 for bad faith failure to properly adjust and pay the
12 fire loss claims of Babarovich on the subject property insured in Everett, Snohomish County,
13 Washington, for resulting fires that occurred on October 24, 2015, March 23, 2016, and June 3,
14 2016, all during the insured policy period.

15 4.3 Babarovich is an intended third party beneficiary of the insurance contracts
16 issued to lender Wells Fargo Bank, N.A., on behalf of borrower / owner Babarovich insuring
17 the subject property owned by Babarovich in Everett, Snohomish County, Washington.
18 Babarovich paid the insurance premiums on the two fire insurance policies issued by Standard
19 Guaranty, including amounts of \$1,057.00 each for the policy period of July, 21, 2014 to July
20 21, 2015, and for July 21, 2015 to July 21, 2016. Insurance premiums are reflected as being
21 charged to the escrow account at the subject property of Babarovich controlled by his lender,
22 Wells Fargo Bank, N.A.

1 4.4 The breach of contract by Standard Guaranty is in violation of RCW 48.18.290,
 2 which requires the insurer to mail or deliver personally written notice of cancellation to both the
 3 named insured and each mortgagee or other person shown by the policy to have an interest in
 4 the property "at least five days before the effective date of the cancellation." The notice of
 5 cancellations relied upon by Standard Guaranty are dated August, 2016, months after the
 6 reported fire losses and after the insurance company paid at least one of the fire losses to the
 7 restricted escrow account of Wells Fargo Bank, N.A. The notices of cancellation submitted by
 8 Standard Guaranty are also in violation of RCW 48.53.040 in regard to cancellation of a fire
 9 insurance policy for failing to do so at least five days prior to the cancellation date of the
 10 insurance policy. In particular, RCW 48.53.040 requires that each mortgagee or other person
 11 with the interest in the property insured (here, Plaintiff Babarovich) to be given twenty days
 12 prior notice of cancellation for a fire insurance policy.

13 **B. Second Cause of Action: Breach of the Insurance Fair Conduct Act**

14 4.5 Standard Guaranty has violated the Washington State Insurance Fair Conduct
 15 Act, RCW 48.30.010, by unreasonably denying a claim for coverage or payment of benefits
 16 under its homeowners/fire insurance policies to Babarovich.

17 4.6 Standard Guaranty has unreasonably denied the claim for coverage and payment
 18 of insurance benefits to Babarovich based on them attempting to retroactively cancel the
 19 homeowner / fire insurance policy in August, 2016, retroactive back to July, 2015, in violation
 20 of Washington State Statutes.

21 4.7 Under RCW 48.30.015, Babarovich is entitled for compensation for his actual
 22 losses in an amount to be determined at trial on this action, but no less than \$200,000, and also

1 an award of his attorneys' fees and costs and a treble award of his actual damages based on the
2 unreasonable conduct of the insurer, Standard Guaranty.

3 4.8 The unfair and unreasonable conduct of Standard Guaranty in regards to these
4 fire losses is further illustrated by the fact that Babarovich has been charged an insurance
5 premium of \$1,057.00 through Wells Fargo Bank, N.A., for the insurance policy period between
6 July, 2015 and July, 2016, and received an insurance payment settlement for the outbuilding fire
7 loss on October 24, 2015, in excess of \$14,000.00, yet Standard Guaranty continues to deny the
8 existence of the policy being in place for the two other fires on this subject property in Everett,
9 Washington, in 2016.

10 **C. Breach of Washington State Consumer Protection Act**

11 4.9 By violating RCW 48.182.90 and RCW 48.53.040 regarding proper notice of
12 cancellation of a fire insurance policy, as well as violation of the Unfair Claims Settlement
13 Practices Act under WAC 284-30-330, WAC 284-30-350 and other subsections, Standard
14 Guaranty is in violation of the Washington State Consumer Protection Act for its actions towards
15 claimant / insured Babarovich.

16 4.10 Violation of the Washington State Unfair Claims Settlement Practices Act, WAC
17 284-30, *et seq.*, constitutes a *per se* violation of the Washington State Consumer Protection Act,
18 RCW 19.86, *et seq.*

19 4.11 As a result of these violations of the Washington State Consumer Protection Act,
20 Babarovich is entitled to an award of his actual damages, treble damages, and his attorneys' fees
21 and costs related to the unfair denial and refusal to pay benefits under the fire insurance policies
22 issued by Standard Guaranty.

23 **D. Fourth Cause of Action: Bad Faith and Breach of the**

24 COMPLAINT FOR BREACH OF CONTRACT, BAD FAITH,
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1 **Implied Covenant of Good Faith and Fair Dealing**

2 4.12 Because Babarovich's claims were wrongly denied, the Acts of Standard
3 Guaranty are unlawful and violate Public Policy, but Babarovich was harmed, then Standard
4 Guaranty has acted in Bad Faith.

5 4.13 As a result of the bad faith conduct of Standard Guaranty, Babarovich is entitled
6 to recover all his losses on the subject fire claims, including those in excess of policy limits, as
7 allowed under statutory provisions and under case law of the State of Washington.

8 **V. PRAYER FOR RELIEF**

9 5.1 Babarovich, having fully pled his claims for relief against Standard Guaranty,
10 hereby seeks the following relief:

11 1. An order and judgment from the Court finding Standard Guaranty
12 Insurance to be in breach of its insurance contract with Babarovich as an intended third-party
13 beneficiary of such contract for the insurance on his Everett property.

14 2. An order and judgment from the Court finding that Standard Guaranty
15 has violated the Insurance Fair Conduct Act, RCW 48.30, *et seq.*, and is liable to Babarovich for
16 an award of the insurance claim benefits, a treble award of damages, and his attorneys' fees and
17 costs.

18 3. An order and judgment from the Court finding that Standard Guaranty is
19 liable for breach of the Washington State Consumer Protection Act, RCW 19.86, *et seq.*,
20 including an award for Babarovich's actual damages, treble damages, and his attorneys' fees
21 and costs.

22 4. An order and judgment from the Court finding that Standard Guaranty
23 has acted in bad faith and in breach of the implied covenant of good faith and fair dealing in

24 COMPLAINT FOR BREACH OF CONTRACT, BAD FAITH,
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1 insurance contracts by unreasonably denying insurance benefits payable to Babarovich and
2 failing to follow Washington State law regarding reasonably settling claims in conformance with
3 the terms of their own insurance policy.

4 5. For other just and further relief as ordered by the Court.

5 DATED this 19 day of July, 2019.

6 INSLEE, BEST, DOEZIE & RYDER, P.S.

7 By Gregory L. Ursich
8 Gregory L. Ursich, W.S.B.A. #18614
9 Attorneys for Plaintiff
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23 COMPLAINT FOR BREACH OF CONTRACT, BAD FAITH,
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EXHIBIT A

SEP. 11. 2017 1:03PM

WELLSFARGO 210 624 6380

NO. 560 P. 12

DECLARATIONS

STANDARD GUARANTY INSURANCE COMPANY
PO BOX 50355, ATLANTA, GA 30302
A Stock Insurance Company

CERTIFICATE NUMBER: MLR21207386180

CERTIFICATE PERIOD: EFFECTIVE DATE: 07/21/2014 EFFECTIVE TIME: 12:01 am EXPIRATION DATE: 07/21/2015		Issued under the provisions of Master Policy No.: MIP-RCH-02115-99	
NAMED INSURED and Mailing Address: WELLS FARGO BANK, N.A., #512 ITS SUCCESSORS AND/OR ASSIGNS PO BOX 7512 SPRINGFIELD, OH 45501-7512		For Company Use: Basis: Territory: 0001 Class: Other: FR 5FD 021200000	
DESCRIBED LOCATION. The property covered by this Certificate is at the described location unless otherwise stated: 13024 3RD AVENUE SE EVERETT, WA 98208			
COVERAGE AND LIMITS OF LIABILITY - Coverage is provided only where a premium is shown for the coverage, subject to all conditions of this Certificate.			
RESIDENTIAL PROPERTY:			
<u>LIMIT OF LIABILITY</u>		<u>DEDUCTIBLES</u>	
Coverage A - \$184,000	All Perils:	\$1,000	<u>PREMIUM</u>
Coverage B - 10% of Coverage A			\$1,025.00
		TOTAL PREMIUM	\$1,025.00
COMMERCIAL PROPERTY:			
<u>LIMIT OF LIABILITY</u>		<u>DEDUCTIBLES</u>	
Building -	All Perils:		<u>PREMIUM</u>
		TOTAL PREMIUM	
Optional Coverages, Assessments, Surcharges, Taxes, Fees (if applicable):			
		TOTAL AMOUNT	\$1,025.00
FORMS AND ENDORSEMENTS which are made a part of this Certificate at the time of issuance: MIP 223 SG (01-12), MIP 233 (01-12), MIP 243 WA (08-12), NOT1111 (06-12), MIP 219 (01-12) MIP 239 WA (08-12)			
BORROWER - Name and address: JOHN A BABAROVICH PO BOX 1429 VASHON, WA 98070-1429			
Loan No.: 0016845901			

CLAIMS: 1-800-652-1262

Issue Date: 10/17/2014

 ALL OTHER INQUIRIES:
 1-866-246-9498

Countersignature (where required)

MIP 221 SG (01-12)

Page 1 of 1

EXHIBIT

MIP215500514

SEP. 11. 2017 1:13PM

WELLSFARGO 210 624 6380

NO. 560 P. 31

DECLARATIONS

STANDARD GUARANTY INSURANCE COMPANY

PO BOX 50355, ATLANTA, GA 30302

A Stock Insurance Company

CERTIFICATE NUMBER: MLR21207484114

CERTIFICATE PERIOD:		Issued under the provisions of	
EFFECTIVE DATE	EFFECTIVE TIME	EXPIRATION DATE	Master Policy No.:
07/21/2015	12:01 am	07/21/2016	MIP-RCH-02115-99
NAMED INSURED and Mailing Address:			For Company Use:
WELLS FARGO BANK, N.A., #512 ITS SUCCESSORS AND/OR ASSIGNS PO BOX 7512 SPRINGFIELD, OH 45501-7512			Basis: Territory: 0001 Class: Other: FIR SFD 021200000
DESCRIBED LOCATION. The property covered by this Certificate is at the described location unless otherwise stated: 13024 3RD AVENUE SE EVERETT, WA 98208			
COVERAGE AND LIMITS OF LIABILITY - Coverage is provided only where a premium is shown for the coverage, subject to all conditions of this Certificate.			
RESIDENTIAL PROPERTY:			
<u>LIMIT OF LIABILITY</u>	All Perils:	<u>DEDUCTIBLES</u>	<u>PREMIUM</u>
Coverage A - \$192,423		\$1,000	\$1,057.00
Coverage B - 10% of Coverage A			
TOTAL PREMIUM			\$1,057.00
COMMERCIAL PROPERTY:			
<u>LIMIT OF LIABILITY</u>	All Perils:	<u>DEDUCTIBLES</u>	<u>PREMIUM</u>
Building -			
TOTAL PREMIUM			
Optional Coverages, Assessments, Surcharges, Taxes, Fees (if applicable):			
TOTAL AMOUNT			\$1,057.00
FORMS AND ENDORSEMENTS which are made a part of this Certificate at the time of issuance: MIP 223 SG (01-12), MIP 233 (01-12), MIP 243 WA (08-12), NOT1111 (06-12), MIP 219 (01-12) MIP 239 WA (08-12)			
BORROWER - Name and address: JOHN A BABAROVICH PO BOX 1429 VASHON, WA 98070-1429			
Loan No.: 0016845901			

CLAIMS: 1-800-652-1262

Issue Date: 08/03/2015

ALL OTHER INQUIRIES:
1-866-246-9498

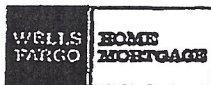
Countersignature (where required)

Page 1 of 1

EXHIBIT

B
MIP21508-0514

EXHIBIT B



Return Mail Operations
PO Box 10368
Des Moines IA 50306-0368

September 28, 2017

John A Babarovich
Po Box 1429
Vashon WA 98070

Wells Fargo Home Mortgage has attached a payoff statement for your review.

Mortgagor: John A Babarovich
Property address: 13024 3rd Avenue SE
Everett WA 98208

708 Loan number: 0482277282 Loan type: Conventional

Your loan interest is calculated on a daily basis. This means that we will collect interest until the day we receive the payoff funds.

We may continue to make your real estate tax and property insurance premium payments from your escrow account. If you have questions about pending disbursements, please call us. Any amount held in escrow at closing will be settled in accordance with the applicable federal law.

Please be sure to take care of these important items to avoid unnecessary expense and delay:

- * Planning to move. If you're planning to move, please be sure to provide us with your new mailing address on the enclosed Payoff Transmittal Form. We'll send you any remaining balance in your escrow account, year-end interest statements, and other documents to your new address.
- * Automatic mortgage payments. Contact your provider (us, Bill Pay, a third party, Internet banking site, etc.) to cancel automatic payments at least 5 business days before your next scheduled withdrawal date.
- * We need to stop payment. Don't place a stop payment on check or draft you've made. We'll refund any remaining balance. We may adjust the figures if a previously credited mortgage payment is rejected by the financial institution from which it is drawn.

If you have questions or need further assistance, please contact us at 1-866-605-0829, Monday - Friday, 7:00 a.m. to 7:00 p.m. Central Time.

September 28, 2017

Page 2 - 708 Loan number 0482277282

Mortgage Payoff Statement:

John A Babarovich
Po Box 1429
Vashon WA 98070

Mortgagor: John A Babarovich
Property address: 13024 3rd Avenue SE
Everett WA 98208

708 Loan number: 0482277282

Loan type: Conventional

All figures are subject to final verification by the noteholder. The TOTAL AMOUNT DUE of \$ 256,474.83 is based on the payoff/closing date of 10-20-17.

1. TOTAL PRINCIPAL, INTEREST, AND OTHER AMOUNTS DUE UNDER NOTE/SECURITY INSTRUMENT

(Total amount required for reconveyance)

Note: This Note/Security Instrument is due for payment December 01, 2011

Unpaid Principal balance	\$	140,238.97
Interest as of 10-20-17		61,046.41
Escrow Overdraft		52,562.50
Unpaid Advance balance		511.82
Unpaid Late Charges		600.03

TOTAL AMOUNT DUE UNDER NOTE/SECURITY INSTRUMENT	\$	255,018.83
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2. ADDITIONAL CONTRACTUAL AND OTHER FEES AND CHARGES DUE

(Payment of these charges is NOT a condition for the release or reconveyance of the security instrument)

Other Charges		820.00
Recording Costs		74.00
Property Inspection		.00
Obligation Fee		.00
Foreclosure Fee/Cost		562.00
Special Handling		.00
TOTAL CONTRACTUAL AND OTHER FEES AND CHARGES DUE	\$	1,456.00
TOTAL AMOUNT DUE through 10-20-17	\$	256,474.83

*RESTRICTED ESCROW BALANCE: \$ 14,393.06

As of the date of this statement, \$ 14,393.06 received from a property insurance claim are being held in restricted escrow. All or some of such funds can be applied to the total amount due, if not used to pay for repairs to the property, including claims of third parties such as contractors. If you have questions about the application of these funds, please call us at 1-866-605-0829.

This is a foreclosure case, we may continue with legal proceedings. Any fees, costs and advances for taxes and insurance payments may also be due in addition to the amount quoted above. The payoff figure quoted to you is subject to change without notice. We have the right to correct errors or omissions.

September 28, 2017

Page 3 - 708 Loan number 0482277282

Timing of loan payoff:

Total amount due is good through 10-20-17, or until any activity occurs on the account. Funds received after that date will be subject to an additional \$ 28.02 of interest per Day. Issuance of this statement does not suspend the contractual requirement to make payments when due.

We may adjust figures in this statement, if prior to the payoff date:

- * We make disbursements from Restricted Escrow to pay for repairs.
- * We make additional mortgage insurance premium payments.
- * We make disbursements from your escrow account for items due.
- * Any check/electronic withdrawal previously credited to your account is rejected by the financial institution from which it is drawn.

Recent escrow disbursement amounts and dates:

Real estate taxes:	\$	2,924.11	04-10-17
Homeowners Insurance	\$	1,057.00	07-28-15

Important Information:

- * If you do not send sufficient funds to pay your mortgage loan in full, we will apply funds from your escrow account to complete the payoff.
- * Interest will continue to accrue until we receive full payment.
- * After payoff, we will release the lien on the property in accordance with state law. Direct any questions or requests about the lien release to: Wells Fargo Home Mortgage
PO Box 10335, Des Moines, IA 50306

Where appropriate, Wells Fargo Home Mortgage is required to inform you that, as your account servicer, we are attempting to collect a debt and any information obtained will be used for that purpose. However, if you are a customer involved in an active bankruptcy case or you received a discharge in a bankruptcy case where the account was not otherwise reaffirmed or excepted from discharge, then this notice is being provided to you for informational purposes only, and this is not a bill or a request for payment as to any such customer(s).

September 28, 2017

Page 4 - 708 Loan number 0482277282

Payoff Transmittal Form:

Please review and complete this form. We prefer that you send the funds by wire as it is the fastest way to complete the payoff. If wire transfer is not an option, we prefer a cashier's check or certified funds.

WHERE TO SEND PAYOFF FUNDS

By WIRE: no checks

Wells Fargo Bank, N.A.

Beneficiary Bank ABA: 121000248

Beneficiary Bank Acct: 4126885896

Beneficiary Bank Address:

1 Home Campus

Des Moines IA 50328

Special Information for Beneficiary:

Apply funds to: 708 loan 0482277282

Mortgagor: John A Babarovich

Sender's Name and Phone Number

By MAIL: including OVERNIGHT

Wells Fargo Home Mortgage

Attn: Payoffs, MAC X2302-045

1 Home Campus

Des Moines IA 50328

Important Notes:

- * Funds must be received by 2:00 pm Central Time for same day processing.
- * Payoffs are not posted on weekends or holidays, and interest will be added to the account for these days.
- * All figures are subject to final verification by the noteholder.
- * If you wired funds and your mailing address is changing, please write your new address below and fax this form to 1-866-278-1179.

PAYOFF COUPON: Please detach and include with payoff funds.

708 Loan number: 0482277282

Property address: 13024 3rd Avenue SE

Current mailing address:

Everett WA 98208

John A Babarovich

PO Box 1429

Vashon WA 98070

Please provide your new mailing address:

Street _____

City/State/ZIP _____

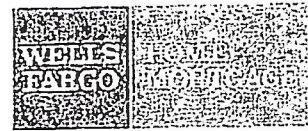
TOTAL PAYOFF AMOUNT: \$ 256,474.83

(includes additional contractual fees and other charges which are not a condition for the release or reconveyance of the security instrument)

THIS FIGURE IS GOOD THROUGH 10-20-17 AMOUNT REMITTED _____

EXHIBIT C

Wells Fargo Bank, NA
Property Loss Department
P.O. Box 4455
Springfield, Ohio 45501-4455



April 02, 2018

John A Babarovich
PO Box 1429
Vashon, WA 98070

PLEASE NOTE: This notice is being provided for informational purposes only. As a result of at least one bankruptcy case filing that included the above referenced account, Wells Fargo Home Mortgage is NOT attempting in any way to violate any provision of the United States Bankruptcy Code or to collect a debt (deficiency or otherwise) from any customer(s) who is impacted by an active bankruptcy case or has received a discharge, where the account was not otherwise reaffirmed or excepted from discharge. THIS IS NOT A BILL OR A REQUEST FOR PAYMENT AS TO THESE CUSTOMER(S).

Subject: The final disbursement of insurance claim funds
Mortgage account number: 0482277282 client 703
Property address: 13024 3rd Avenue SE
Everett WA 98208

Dear John A Babarovich :

Thank you for completing the repairs on the property. Enclosed is a check for \$14393.06 which represents the final disbursement of the insurance funds and completes the claim process.

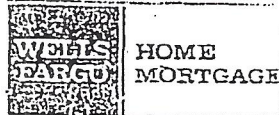
We hope this process has helped you quickly restore the property. If you receive any additional checks from the insurance company for this claim or need additional information, please visit InsuranceClaimCheck.com/wellsfargo, or call 1-888-882-1838, Monday through Friday, 8:00 a.m. to 6:00 p.m., or Saturday, 9:00 a.m. to 2:00 p.m. Central Time.

Property Loss Department
Wells Fargo Home Mortgage

Enclosure

LD344/A2T

Wells Fargo Home Mortgage
is a division of Wells Fargo Bank, N.A.



P.O. Box 10335
Des Moines, IA 50306-0335

WELLS FARGO BANK NA
WELLS FARGO BANK NA
ESCROW DISB CLRNG/708

HCMY 03A 0482277282
0482277282

CHECK NO.	17-1 910 MO/DAY/YR
7034185016	03/30/2018

FOR PAYMENT OF RESTRICTED ESCROW

Fourteen Thousand Three Hundred Ninety Three and 06/100 Dollars

AMOUNT
\$14,393.06

PAY TO
THE ORDER
OF

JOHN A BABAROVICH
PO BOX 1429
VASHON WA 98070-1429

[Signature]
AUTHORIZED SIGNATURE

⑈ 7034185016 ⑈ ⑆0910000⑆9⑈

6504701472⑈

Disbursement Check Voucher

PAYEE NAME & ADDRESS JOHN A BABAROVICH
PO BOX 1429
VASHON WA 98070-1429

CHECK NUMBER: 7034185016
CHECK DATE: 03/30/2018
PAYEE CODE: 0482277282

BATCH: HCMY

PAGE 1 OF 1

LOAN NUMBER	SHORT NAME/ INIT NAME/ PROPERTY ADDRESS	DESCRIPTION	TRAN CODE	DATE	AMOUNT DUE
0482277282	JA BABAROVICH FINAL		304		14,393.06

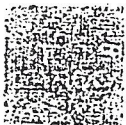
Check Totals:

1 Item

\$14,393.06

EXHIBIT D

EXHIBIT E



Wells Fargo Bank, N.A.
Hazard Insurance Processing Center

August 12, 2016

JOHN A BABAROVICH
PO BOX 1429
YASHON, WA 98070-1429

RE: Loan Number: 0482277282
Property Location:
13024 3RD AVENUE SE
EVERETT, WA 98208

Dear Customer:

Thank you for providing evidence of your insurance coverage. We have cancelled the policy we obtained on your behalf effective at 12:01 a.m. on 07/21/2015. The full premium amount charged of \$1,057.00 will be refunded to your account.

In the future, acceptable proof of insurance can be sent to us via fax at 1-937-525-4108, or mail to the address shown below. Please make sure your policy references your loan number, and ensure that the Mortgagee Clause on your policy reads:

WELLS FARGO BANK, N.A. #708
ITS SUCCESSORS AND/OR ASSIGNS
PO BOX 5708
SPRINGFIELD, OH 45501-5708

Loan Number: 0482277282

If you have any questions or believe there is an error in our records, please call us at 1-800-862-4098, Monday through Friday from 7:00 a.m. to 7:00 p.m., Central Time and one of our customer service professionals will be happy to help you. Thank you for your assistance.

Hazard Insurance Processing Center
Wells Fargo Bank, N.A.



Wells Fargo Bank, N.A.
Hazard Insurance Processing Center

August 12, 2016

JOHN A BABAROVICH
PO BOX 1429
YASHON, WA 98070-1429

RE: Loan Number: 0482277282
Property Location:
13024 3RD AVENUE SE
EVERETT, WA 98208

Dear Customer:

Thank you for providing evidence of your insurance coverage. We have cancelled the policy we obtained on your behalf effective at 12:01 a.m. on 02/25/2015. We are refunding you \$414.00 which represents the unearned premium.

According to the information you provided, you do not have coverage for the entire term for which we placed coverage. The policy we obtained on your behalf remains in force for the time period of 07/21/2014 to 02/25/2015. We have charged you a premium of \$622.00.

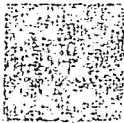
If you had other coverage during this period of time please mail a copy of your policy (with your account number referenced) to the address shown below or fax to 1-937-525-4108. Please be sure your policy includes your account number, and a Mortgagee Clause of Lenders Loss Payable Endorsement made out to:

WELLS FARGO BANK, N.A. #708
ITS SUCCESSORS AND/OR ASSIGNS
PO BOX 5708
SPRINGFIELD, OH 45501-5708

Loan Number: 0482277282

If you have any questions or believe there is an error in our records, please call us at 1-800-862-4098, Monday through Friday from 7:00 a.m. to 7:00 p.m., Central Time and one of our customer service professionals will be happy to help you. Thank you for your assistance.

Hazard Insurance Processing Center
Wells Fargo Bank, N.A.



Wells Fargo Bank, N.A.
Hazard Insurance Processing Center

August 9, 2016

JOHN A BABAROVICH
PO BOX 1429
YASHON, WA 98070

RE: Loan Number: 0482277282
Property Location:
13024 3RD AVENUE SE
EVERETT, WA 98208

Dear Customer:

Thank you for providing evidence of your Insurance coverage. We have cancelled the policy we obtained on your behalf effective at 12:01 a.m. on 11/21/2015. We are refunding you \$694.00 which represents the unearned premium.

According to the information you provided, you do not have coverage for the entire term for which we placed coverage. The policy we obtained on your behalf remains in force for the time period of 07/21/2015 to 11/21/2015. We have charged you a premium of \$351.00.

If you had other coverage during this period of time please mail a copy of your policy (with your account number referenced) to the address shown below or fax to 1-937-525-4108. Please be sure your policy includes your account number, and a Mortgagee Clause or Lenders Loss Payable Endorsement made out to:

WELLS FARGO BANK, N.A. #708
ITS SUCCESSORS AND/OR ASSIGNS
PO BOX 5708
SPRINGFIELD, OH 45501-5708

Loan Number: 0482277282

If you have any questions or believe there is an error in our records, please call us at 1-800-862-4098, Monday through Friday from 7:00 a.m. to 7:00 p.m., Central Time and one of our customer service professionals will be happy to help you. Thank you for your assistance.

Hazard Insurance Processing Center
Wells Fargo Bank, N.A.

EXHIBIT F

NAMED INSURED MORTGAGEE - Name and Address

Date: 08/09/2016

**WELLS FARGO BANK, N.A. #708
ITS SUCCESSORS AND/OR ASSIGNS
PO BOX 5708
SPRINGFIELD, OH 45501-5708**

**Standard Guaranty Insurance Company
PO Box 50355, Atlanta, GA 30302
A Stock Insurance Company**

**LENDER-PLACED INSURANCE
CONFIRMATION OF CANCELLATION**

BORROWER / MORTGAGOR - Name and Address

**JOHN A BABAROVICH
PO BOX 1429
VASHON, WA 98070-1429**

DESCRIBED LOCATION:

**13024 3RD AVENUE SE
EVERETT, WA 98208**

**LOAN NUMBER: 0482277282
CERTIFICATE NUMBER: MLR21207386180**

Dear Customer:

The Named Insured Mortgagee/Lender has requested cancellation of the lender-placed insurance that was issued in compliance with your mortgage/lien agreement. This cancellation is effective on 07/25/2015 at 12:01 a.m. Standard Time at the described location shown above. The reason for this cancellation is:

Named Insured's Request.

If you have any questions, please feel free to call your mortgage lender at 1-800-862-4098.

Sincerely,

Insurance Department

Replacement of Property (Fire) Insurance: If this cancellation or nonrenewal pertains to a certificate providing fire, extended coverage and vandalism and malicious mischief insurance and you wish to replace your insurance, you should make an effort to obtain insurance through another company in the normal market. If you have difficulty in procuring replacement coverage in the normal market, you possibly may obtain fire, extended coverage and vandalism and malicious mischief insurance through the Washington FAIR Plan. For further information, please contact your agent.

You may contact the Office of the Insurance Commissioner's Consumer Protection Services for assistance with questions or complaints at Consumer Protection Services, Office of the Washington State Insurance Commissioner, P.O. Box 40256, Olympia, Washington 98504-0256, Toll Free Telephone (800) 562-6900, Website Address: www.insurance.wa.gov.